

~~CONFIDENTIAL~~

12th June, 1959.

COCOM Document No. 3567B

COORDINATING COMMITTEERECORD OF DISCUSSIONCNAN ITALIAN REQUEST FOR THE EXPORT OF BEARINGS TO HUNGARY10th June, 1959.

Present: Belgium(Luxembourg), Canada, Denmark, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

Reference: COCOM Document 3538.

1. The CHAIRMAN drew the Committee's attention to the Italian proposal to export bearings to Hungary. He invited Delegates to make known their Governments' views on this request.
2. The BELGIAN, CANADIAN, FRENCH, GERMAN, JAPANESE, NETHERLANDS and UNITED KINGDOM Delegates stated that their Governments had no objection to this export.
3. The UNITED STATES Delegate said that it was not without some concern that his authorities had taken note of this proposal. He wondered whether the "de minimis" procedure held good for cases of this kind. Moreover, the fact that earlier orders had been lost owing to the time the Committee had taken to study them should not be a determining factor. The United States Delegate noted however that the other Delegations appeared to accept the Italian proposal. He would therefore give his authorities' consent, though with regret. The Delegate added that in future his Government would reserve the right to judge whether similar cases met the requirements of the "de minimis" procedure.
4. The ITALIAN Delegate thanked Delegations for their favourable replies. He said he would not fail to transmit to his authorities the remarks just made by the United States Delegate. He recalled that the latter had ended by giving a favourable opinion regarding an almost identical proposal (see COCOM Document 3491 of the 17th April 1959). The Italian Delegate stated that unfortunately this project had remained unfulfilled and the present proposal was intended in some sort to take its place, as the bearings requested by Hungary were to be supplied by the company which had received a similar order from the U.S.S.R. The Delegate stressed, however, that this case differed somewhat from the previous case, since this time the order involved 3 bearings instead of 4. The Delegate added, with reference to the procedure question, that his authorities had based their decision on reasons which were both economic and strategic. They believed that in a case of this type the "de minimis" procedure was more exact than the ad hoc procedure.
5. The UNITED STATES Delegate replied that he had not suggested that consideration of cases such as that now being discussed would be facilitated if submitted as ad hoc proposals, but only that the United States had serious doubts as to whether this proposition met the de minimis tests.

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